

Service Date: September 6, 1983

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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IN THE MATTER OF The Application	)
Of The MOUNTAIN STATES TELEPHONE	)UTILITY DIVISION
AND TELEGRAPH COMPANY (MOUNTAIN	)
BELL) For Authority To Increase	)DOCKET NO. 83.3.18
Rates And For Approval Of Tariff	)
Changes For Telecommunications	)INTERIM ORDER NO. 4991a
Service.	)

FINDINGS OF FACT

1. On June 10, 1983 the Commission issued Interim Order No. 4991. The Order, among other things, denied Mountain Bell's request for interim revenues associated with the FCC's remaining life depreciation rate prescription (See Findings No. 7 and 8). These revenues, on an annual basis, amount to \$1,883,000.

2. On August 22, 1983 the United States District court in The Mountain States Telephone and Telegraph Company v. Department of Public Service Regulation, et al (Cause No. CV-83-177-H) issued a ruling requiring implementation of the FCC depreciation rates, effective August 22, 1983.

3. Interim Order No. 4991 provided recovery of interim revenues through a temporary 12.71% surcharge per access line subject to rebate (See Findings 14-16). The Commission finds that the additional depreciation-related interim revenues should be reflected in rates on the basis of an addition to the temporary surcharge found in Order

No. 4991. The additional surcharge, amounting to approximately a 5.11% increase in the access line rates, is subject to the same rebate provisions found in Order No. 4991.

4. If it becomes impractical to bill retroactively for service rendered on and after August 22 (as required by the Court's ruling) then it will be necessary to establish a slightly higher additional surcharge reflecting the same level of additional revenues recovered over a smaller level of sales.

### CONCLUSIONS OF LAW

1. Applicant, The Mountain States Telephone and Telegraph Company, is a corporation providing telephone and other communications services in the state of Montana, and as such, is a public utility in the meaning of 69-3-101, MCA.

2. The Montana Public Service Commission properly exercises its jurisdiction over Applicant's Montana operations pursuant to Title 69, Chapter 3, MCA.

3. Section 69-3-304, MCA, provides in part:

“The Commission may, in its discretion, temporarily approve increase pending hearing or final decision.”

4. The rates approved herein are a reasonable means of providing interim relief to Mountain Bell and are just, reasonable, and unjustly discriminatory.

### ORDER

1. Mountain States Telephone and Telegraph Company is hereby granted authority to implement, on an interim basis, increased access line service rates designed to generate \$1,883,000 in additional annual revenues.
2. The increased revenues authorized herein shall be collected from tariffed services in the manner described in the Findings of Fact of this order.
3. Interim rates granted herein are subject to rebate should the final order in this Docket determine that a lesser increase in annual revenues is warranted. Such a rebate would include compound interest pursuant to Section 69-3-302, MCA, as amended by Senate Bill No. 305, 1983 Legislature.

DONE IN OPEN SESSION at Helena, Montana this 6<sup>th</sup> day of September, 1983  
by 4 – 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

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THOMAS J. SCHNEIDER, Chairman

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CLYDE JARVIS, Chairman

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HOWARD L. ELLIS, Commissioner

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DANNY OBERG, Commissioner

ATTEST:

Laura J. Bird, Acting Secretary

Madeline L. Cottrill

Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 28.2.4806, ARM.